

Riga, January 10, 2024

SIA "Lande Platform"

Annual report for the period from March 14, 2022 to December 31, 2022

SIA "Lande Platform"

Reg. No. 40203386735

annual report for the period from March 14, 2022 to December 31, 2022

CONTENTS

	Page
Information about the company	3
Management Report	4
Profit or loss statement	5
Balance	6
Annex to the financial statement	8
Auditors' report	15

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INFORMATION ABOUT THE COMPANY

Name of the company	SIA "Lande Platform"
Legal status of the company	society with limited responsibility
Registration No., place and date	40203386735, Riga, 14.03.2022
Legal and postal addresses	1 Roberta Hirša street, Riga, LV-1045
Members of the Board	Nikita Gonchar
Year under review	from 14/03/2022 up to 31.12.2022
The monetary unit used in the financial statement	EUR
News about related companies:	AS Lande corporate, 40203437726, Roberta Hirša street 1, Riga, LV-1045, 87.48%
	Lande LT UAB, 306185224, Lvivo g. 25-702, Vilnius, Lithuania, 100%
	Lande Platform RUM SRL, 47369331, B-dul TUDOR VLADIMIRESCU 22, Et:5, CLAD. GREEN GATE, BIR. 514COWORK12, Sect 5, Bucharest, Romania, 100%
Type of activity of the company, NACE code	Other information technology and computer services 62.09.; Other activities supplementing financial services, except for insurance and pension accumulation 66.19
The annual report was prepared	Accountant Yulia Shilova
Auditors	Orients Audit & Finance Commercial company license no. 28 Gunžras Astras Street 8B Riga, LV-1082 Latvia Chartered auditor in charge Olga Kuzmiņa certificate no. 207

MANAGEMENT REPORT

Type of activity

The Company provides crowdfunding services to its clients in the form of loan mediation, allowing project owners or borrowers to publish their project offers on the platform administered by the Company: www.lande.finance.

The service is provided in accordance with REGULATION (EU) 2020/1503 OF THE EUROPEAN PARLIAMENT AND COUNCIL and is offered to registered economic operators in the European Economic Area. The company's income is generated from brokerage fees for project financing on the platform. During the reporting period, we have reached the planned number of positions.

Company activity in the reporting year

2022 was the first year of operation of SIA Lande Platform, during which the platform was purchased, which includes an IT system, a trademark, a portfolio of clients and investors.

At the end of the year of operation, the total amount of financing issued through the platform reached 7 million. EUR., in 358 projects. The number of registered investors has reached 3342.

A new market was opened - Lithuania, expanding the company's operations.

To ensure the further development and development of the company, it is planned to attract 500 thousand EUR from risk capital investors. Of this amount, 300 thousand have already been received and the remaining amount will be received in 2023.

The Company closed the reporting year with EUR 12,860 in losses before corporate income tax, which is explained by the fact that this is the Company's first year of operation and only significant investments were made in it to start operations, ensure rapid growth and attract venture capital investments.

Contributions

The company is a member of three other commercial companies:

- AS "Lande Corporate", registered in Latvia with registration no. 40203437726 - attracting customers to lending mediation services.

- UAB "LANDE LT", registered in Lithuania with registration No. 306185224 - a special purpose company established to act as an arrangement agent for Lithuanian projects.

- SRL "LANDE PLATFORM RUM", registered in Romania under registration No. 47369331 - a special purpose company established to act as a placement agent for Romanian projects.

Future prospects and future developments

In 2023, it is planned to continue the rapid growth of the platform, doubling its turnover, the number of investors and the amount of loans issued to farmers. By strengthening the company's operating model in the Baltics, it is planned to expand to other European countries. Romania has been selected as the next operating market. Romania has a large number of small and medium-sized farmers and a poorly developed financial service sector. In order to carry out the expansion of the company, it is planned to complete the round of fundraising, which was started in 2022, attracting a total of 500 thousand euros of venture capital investments from Angel investors.

In view of international expansion and rapid growth plans, serious improvements in the management of the company will also be necessary. In 2023, it is planned to strengthen IT security in the platform system, rework the internal control system and financial reporting structure, make changes in the management, accounting and legal structure. One of the most important goals is to receive an ECSP license from the Bank of Latvia at the end of the remaining period specified in the regulation. A professional outsourcing service will be engaged to obtain the license. In Romania, it is planned to assemble a strong team of professionals, creating a company structure for full-fledged operation, adapting it to local legislative requirements.

Financial risk management

Currency risk - there is a small risk of suffering small losses due to currency fluctuations between CHF and EUR.

Circumstances and events after the end of the reporting year

In the time period between the last day of the reporting year and the day when the board signs the financial statements, there were no significant or extraordinary circumstances that would significantly affect the annual result and the Company's financial position.

Board member authorized by the board, authorized to sign the annual report

Nikita Gonchar

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PROFIT OR LOSS CALCULATION (by
turnover cost method)

	Notes	14.03.2022.-
	number	31.12.2022
		EUR
Net turnover b)		344,014
from other core activities		344,014
Cost of production of sold products, cost of purchasing goods sold or services provided	2	-117 003
Gross profit or loss		<u>227 011</u>
Cost of sales	3	-168 436
costs of administration	4	-65 419
Other operating income		2 073
Other costs of economic activity	5	-8 089
Profit or loss before corporate income tax		<u>-12 860</u>
Corporate income tax for the reporting year		<u>-121</u>
Profit or loss after calculating corporate income tax		<u>-12,981</u>
Profit or loss for the reporting year		<u><u>-12,981</u></u>

The appendix from pages 8 to 14 is an integral part of this financial report.

The authorized member of the board authorized to sign the annual report
Nikita Gonchars

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The annual report was prepared by:

Accountant Yulia Shilova

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BALANCE SHEET

	Notes number	31.12.2022 EUR
ACTIVE		
Long-term investments		
Intangible assets		
Concessions, patents, licenses, trademarks and similar rights		37,050
Total intangible assets	6	<u>37,050</u>
Fixed assets (fixed assets, investment properties and biological assets)		
Other fixed assets and inventory		10,214
Total fixed assets	6	<u>10,214</u>
Long term financial investment		
Participation in the capital of a related company	7	33 157
Long-term financial investments together		<u>33 157</u>
Long-term investments together		<u>80 421</u>
Current assets		
Debtors		
Debts of related companies		1,097
Other debtors	8	5,850
payments of the next period	9	5,379
Debtors together		<u>12,326</u>
Money	10	268,062
Total current assets		<u>280 388</u>
ACTIVE TOGETHER		<u>360,809</u>

SIA "Lande Platform"

Reg. No. 40203386735

annual report for the period from March 14, 2022 to December 31, 2022

BALANCE SHEET

	Notes number	31.12.2022 EUR
PASSIVE		
Equity		
Share capital (share capital)	11	3 015
Shares (parts) issue premium		307 379
Retained earnings:		
b) profit or loss of the reporting year		<u>-12,981</u>
Total equity		<u>297 413</u>
Creditors		
short-term creditors		
Debts to suppliers and contractors		31,935
Debt to related companies		40
Taxes and mandatory state social insurance contributions	12	4,552
Other creditors		198
Accrued liabilities	13	<u>26 671</u>
Total short-term creditors		<u>63 396</u>
Creditors together		<u>63,396</u>
PASSIVE TOTAL		<u>360,809</u>

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The authorized member of the board authorized to sign the annual report Nikita Gonchars

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The annual report was prepared by:

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APPENDIX TO THE ANNUAL REPORT

(1) Important accounting principles

Principles of report preparation

The annual report has been prepared in accordance with the laws "On Accounting", "Law on Annual Reports and Consolidated Annual Reports" and Cabinet of Ministers Regulation No. 775 "Rules of Application of the Law on Annual Reports and Consolidated Annual Reports". The financial statements are prepared according to the historical value accounting principle. The income statement is classified according to the expense function scheme.

Applied accounting principles

The items of the financial report are evaluated according to the following accounting principles:

- 1) it is assumed that the company will continue to operate;
- 2) the evaluation was carried out with due care, observing the following conditions:
 - a) the report includes only the profit obtained up to the balance sheet date,
 - b) all expected risk amounts and losses incurred in the reporting year are taken into account, even if they became known in time in the period between the balance sheet date and the day when the annual report is signed by the management;
 - c) all depreciation and depreciation amounts are calculated and taken into account, regardless of whether the reporting year ends with profit or loss;
- 3) in the items of the balance sheet and profit or loss statement, amounts are indicated according to the accrual principle, that is, revenues and expenses are indicated taking into account the time of their occurrence, not the time of receipt or issue of money. Revenues and expenses related to the reporting year are indicated regardless of the date of receipt of the payment or invoice;
- 4) costs are coordinated with revenues in the relevant reporting periods;
- 5) the asset and liability items of the balance sheet are evaluated separately;
- 6) in the items of the balance sheet and profit or loss statement, the amounts are indicated taking into account the content and nature of economic transactions, not only the legal form;
- 7) the items of the balance sheet and profit or loss statement are evaluated in accordance with the acquisition costs or the cost of production. The purchase cost is the purchase price of the product or service (minus the discounts received) plus the additional expenses related to the purchase.

The reporting period

The reporting period is 10 months from 14/03/2022 up to 31.12.2022

Currency and transactions in foreign currencies

The financial statements are prepared in the national currency of Latvia - euro (EUR). Cash equivalents consist of current bank account balances.

All transactions in foreign currencies are revalued in euros according to the reference exchange rate set by the European Central Bank on the day of the relevant transaction. All monetary items of assets and liabilities are recalculated in euros according to the reference rate set by the European Central Bank on the last day of the reporting year.

	31.12.2022
CHF	1.02

Profits or losses resulting from fluctuations in foreign exchange rates are reflected in the income statement for the relevant period.

Related parties

Related parties are company members or shareholders, members of councils and management boards, their close relatives and companies in which they have significant influence or control.

Investments**- Related societies**

A related company is a company that is directly or indirectly controlled by another company (parent company - more than 50% of the voting rights of shareholders or members in this company). The parent company controls the financial and business policy of the subsidiary. The company recognizes income from the investment only when it receives from the related company a distribution of profits generated after the acquisition date. The distribution received in excess of this profit is treated as the cost of recovery of the investment and is reflected as a reduction of the cost of acquisition of the investment in the capital of related companies.

Intangible assets and fixed assets

Fixed assets and intangible assets are reflected at their acquisition value, less depreciation. Purchased assets are recognized as fixed assets if their value exceeds EUR 250. Purchased assets below EUR 250 are accounted for as low-value inventory.

The purchase value of fixed assets consists of the purchase price, import duties and non-deductible purchase taxes, other costs directly attributable to the purchase to bring the asset to its location and prepare it in working condition for its intended use.

Rights acquired only for consideration are reflected as "Concessions, patents, licenses, trademarks and similar rights".

Depreciation is calculated during the useful life of the asset according to the straight-line method, choosing such depreciation as the basis norms:

Intangible assets:

Trade mark	10 years
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Fixed assets:

Other fixed assets	3 years
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Gains or losses from the sale of fixed assets are reflected in the income statement for the relevant period. The costs of repair and renovation works that increase the useful life or value of the fixed asset are capitalized and written off during their useful life. The other costs of repair and renovation works are recognized in the losses of the reporting period.

Accounts receivable

Accounts receivable are recorded at the amount of original invoices, less allowances for doubtful accounts receivable. Provisions are made when collection of the full amount owed is doubtful. Debts are written off if their recovery is considered impossible.

Accrued liabilities

As accrued liabilities, they reflect the clearly known amounts of liabilities to suppliers and contractors for the goods or services received in the reporting year, for which, due to the terms of the supply, purchase or company contract or other reasons, a relevant justification document (invoice) intended for payment has not yet been received on the balance sheet date. These liability amounts are calculated on the basis of the price specified in the relevant contract and documents confirming the actual receipt of goods or services.

Revenue recognition

Net turnover is the total value of products and services sold during the year, after deducting discounts and value added tax.

Revenues are recognized according to the following principles:

Sale of goods - after significant ownership risks and rewards have been transferred to the buyer;

Revenues from the provision of services - according to the percentage method of transaction execution;

Income from penalty and delay fees - at the time of receipt;

Interest income - according to the savings method;

Dividends - at the moment when the legal right to them arises.

Corporate income tax for the reporting year

Corporate income tax is paid on distributed profits and notional profits. Distributed and contingently distributed profits are taxed at a tax rate of 20 percent of the gross amount, or 20/80 of the net cost. Corporate income tax on the payment of dividends is recognized in the profit or loss statement as a cost in the period when the relevant dividend is declared, while for other objects of conditional profit - at the moment the cost is incurred within the reporting year.

Application of estimates

When preparing financial statements, the Company's management must make calculations and make assumptions that affect the assessment of assets and liabilities presented in the financial statements as of the date of preparation of the financial statements, as well as the revenues and expenses presented in the specific reporting period. Management has made an estimate of profit or loss and believes that the financial statements present the true financial position based on all information currently available.

annual report for the period from March 14, 2022 to December 31, 2022

(2) Cost of production of sold products, cost of purchasing goods sold or services provided

14.03.2022.-31.12.2022.

	EUR
Platform maintenance costs	117 003
In total	<u>117 003</u>

(3) Cost of sales

14.03.2022.-31.12.2022.

	EUR
Advertising and marketing costs	132 932
Depreciation of fixed assets	268
Personnel costs	30 108
Other selling costs	5 128
In total	<u>168 436</u>

(4) Administrative costs

14.03.2022.-31.12.2022.

	EUR
Office costs	642
Cost of professional services	25 882
Other administration costs	38 895
In total	<u>65 419</u>

(5) Other economic activity costs

14.03.2022.-31.12.2022.

	EUR
Losses from exchange rate conversion	3,706
Other payments	4,383
In total	<u>8,089</u>

SIA "Lande Platform"

Reg. No. 40203386735

annual report for the period from March 14, 2022 to December 31, 2022

(6) Intangible investments and fixed assets movement statement

		Concessions, patents, licenses, trademarks and similar rights	Total intangible assets	Other fixed assets	Total fixed assets
		<u>EUR</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>
Initial value	14/03/2022				0
Purchased		0 39,000	0 39,000	0 10	10,482
Initial value	31.12.2022	39,000	39,000	482 10 482	10,482
Accumulated depreciation	14/03/2022				0
Estimated depreciation		0 1	0 1	0	268
Accumulated depreciation	31.12.2022	950 1 950	950 1 950	268 268	268
The residual value	14/03/2022		14		0
The residual value	31.12.2022	0 37 050	37 050	0 10 214	10,214

(7) Participation in the capital of a related company

	31.12.2022
	EUR
Purchase value	0
Changes in the value of the participation in previous periods	0
Participation values at the beginning of the reporting period	0
Purchase (+)	37,540
Shutdown (-)	-4 383
Purchase value	33 157
Total changes in the value of the participation	0
Participation values at the end of the reporting period	<u>33 157</u>

Company Name	Owned shares, %	Purchase value	Impairment adjustment	Investment balances in a related company value bas equity capital value as of 31.12.2022	Profit or loss of the related company in the reporting year	
AS Lande Corporate	87,48	30617		30617	21238	-13,762
Lande LT UAB	100	2500		2500	2500	0
Lande Platform Rum SRL	100	40		40	-761	-801
		<u>33 157</u>		<u>33 157</u>		

(8) Other debtors

	31.12.2022
	EUR
Bail	3 811
Other debtors	2 039
In total	<u>5,850</u>

(9) Deferral costs

	31.12.2022
	EUR
Health Insurance	5 368
Other payments	11
In total	<u>5 379</u>

(10) Money

	31.12.2022
	EUR
Money in bank accounts	268062
	<u>268062</u>

(11) Share capital (share capital)

On December 31, 2022, the capital of shares or parts is fully paid. It consists of 3015 shares (parts of capital) with a nominal value of EUR 1.00.

(12) Taxes and mandatory state social insurance contributions

	31.12.2022
	EUR
Personal income tax	1 510
Mandatory social security contributions	2,918
Corporate income tax	121
Business risk fee	3
In total	4,552

(13) Accrued liabilities

	31.12.2022
	EUR
Accrued liabilities to suppliers	26,671
In total	26,671

(14) Number of persons employed in the company

	31.12.2022
The average number of persons employed in the company per year	4
From them:	
Members of the Board	1
The other employees	3

(15) Events after the balance sheet date

In the time period between the last day of the reporting year and the day when the board signs the financial statements, there were no significant or extraordinary circumstances that would significantly affect the annual result and the Company's financial position.

(16) Information on profit distribution or loss coverage

It is planned to cover the losses of the reporting year from the profits of the following periods.

Board member authorized by the board, authorized to sign the annual report

Nikita Gonchar

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The annual report was prepared by:

Accountant Yulia Shilova

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